

THE TORONTO STOCK EXCHANGE

11/12/69

FILING STATEMENT NO. 1718
FILED, DECEMBER 22, 1969

DELTA ELECTRONICS LIMITED

Incorporated under the laws of the Province of Ontario by
Letters Patent dated the 23rd day of January, 1958

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 1629

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	(a) Change in control of the Company by reason of the sale of 290,300 common shares. (See Appendices I and II on pages 3, 4 and 5.		
	(b) Change in officers and directors of the Company. (See Item 3 below).		
	(c) Sale to Western Investments Limited of all the issued and outstanding shares of K.W. Electronics Limited, together with the assignment to Western Investments Limited of the indebtedness of K.W. Electronics Limited to Delta Electronics Limited. (See Appendix III on page 6.		
2. Head office address and any other office address.	70 Ronson Drive, Rexdale, Ontario.		
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and a Director	John H. Baldwin, Executive	20 Sifton Court, Willowdale, Ontario.
	Vice-President and a Director	Frederick J. Looker, Executive	57 Kendleton Drive, Rexdale, Ontario.
	General Manager and a Director	Ronald E.G. Wilson, Chartered Accountant	3 Marblehead Road, Weston, Ontario.
	Secretary-Treasurer	John H. Baycroft, Chartered Accountant	40-6th Street, New Toronto, Ontario.
	Director	Sydney W. Wellum, Consultant.	1092 Argyle Drive, Oakville, Ontario.
	Director	F. Vincent Regan, Queen's Counsel	611 Lonsdale Road, Toronto 349, Ontario.
	Upon the completion of the sale of 290,300 common shares of the Company from International Systcoms Limited to Rediffusion Incorporated, Messrs. John H. Baldwin, Frederick J. Looker and F. Vincent Regan will resign as Officers and Directors of the Company and be replaced by the following who will become Directors:		
	Arthur Cross	106 Somerset Road, Wimbledon, London, S.W. 19, England.	
	Alexander John Campbell, Q.C.	60 Sunnyside Avenue, Westmount, Quebec.	
	Gilbert A. Allard	16 Magnolia Crescent, Dollard-Des Ormeaux, Quebec.	
	The new officers of the Company will be as follows:		
	President	Arthur Cross	
	Vice-President	Alexander John Campbell. Q.C.	
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized:	3,000 5% non-cumulative non-voting redeemable preference shares, par value \$10, of which 2,120 were issued and redeemed, leaving 880 shares unissued; 1,000,000 common shares, no par value	
	Issued:	519,370 common shares, no par value	
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil		
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	3,000 shares held under option pursuant to the Company's Employees' Incentive Stock Option Plan.		

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable.																																										
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Not applicable.																																										
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company is engaged in the manufacture and sale of electronic equipment, specializing in equipment for the distribution of television signals.</p> <p>The Company engages continuously in the development of new products and the up-dating of existing products in accordance with the advancing and changing state of the art.</p> <p>(refer to Schedule "A" <i>on page 6</i> Page 6)</p>																																										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.																																										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.																																										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None																																										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.																																										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table><tr><td>(a) Roythree & Co.</td><td>P.O. Box 6007, Place Ville Marie, Montreal, Quebec.</td><td>187,700 shares</td></tr><tr><td colspan="3">International Systcoms Limited is the beneficial owner of 187,500 shares registered in the name of Roythree & Co.</td></tr><tr><td>(b) International Systcoms Limited</td><td>4900 Fisher Street, Montreal 9, Quebec.</td><td>72,700 shares</td></tr><tr><td>(c) Moncus & Co.,</td><td>P.O. Box 1900, Station 3, Montreal, Quebec.</td><td>29,100 shares</td></tr><tr><td colspan="3">International Systcoms Limited is the beneficial owner of 27,100 shares registered in the name of Moncus & Co.</td></tr><tr><td>(d) Lucien Laurent,</td><td>183 Hotel Dieu, Sorel, Quebec.</td><td>10,000 shares</td></tr><tr><td>(e) Sunmont & Co.</td><td>c/o Bank of Montreal, 630 Dorchester Blvd.W., Montreal, Quebec.</td><td>6,500 shares</td></tr><tr><td colspan="3">International Systcoms Limited is the beneficial owner of 3,000 shares registered in the name of Gore Co., Canadian Imperial Bank of Commerce Bldg., P.O. Box 6003, Montreal 101, Quebec.</td></tr><tr><td colspan="3">Recapitulation of shares owned beneficially by International Systcoms Limited:</td></tr><tr><td>Registered Roythree & Co.</td><td>187,500</td><td></td></tr><tr><td>Registered International Systcoms Limited</td><td>72,700</td><td></td></tr><tr><td>Registered Moncus & Co.</td><td>27,100</td><td></td></tr><tr><td>Registered Gore Co.</td><td>3,000</td><td></td></tr><tr><td></td><td><u>290,300</u></td><td></td></tr></table>	(a) Roythree & Co.	P.O. Box 6007, Place Ville Marie, Montreal, Quebec.	187,700 shares	International Systcoms Limited is the beneficial owner of 187,500 shares registered in the name of Roythree & Co.			(b) International Systcoms Limited	4900 Fisher Street, Montreal 9, Quebec.	72,700 shares	(c) Moncus & Co.,	P.O. Box 1900, Station 3, Montreal, Quebec.	29,100 shares	International Systcoms Limited is the beneficial owner of 27,100 shares registered in the name of Moncus & Co.			(d) Lucien Laurent,	183 Hotel Dieu, Sorel, Quebec.	10,000 shares	(e) Sunmont & Co.	c/o Bank of Montreal, 630 Dorchester Blvd.W., Montreal, Quebec.	6,500 shares	International Systcoms Limited is the beneficial owner of 3,000 shares registered in the name of Gore Co., Canadian Imperial Bank of Commerce Bldg., P.O. Box 6003, Montreal 101, Quebec.			Recapitulation of shares owned beneficially by International Systcoms Limited:			Registered Roythree & Co.	187,500		Registered International Systcoms Limited	72,700		Registered Moncus & Co.	27,100		Registered Gore Co.	3,000			<u>290,300</u>	
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APPENDIX I

Rediffusion Incorporated, a Company duly incorporated under the laws of Quebec has agreed with International Systcoms Limited, to purchase from International Systcoms Limited, 290,300 issued and outstanding common shares of Delta Electronics Limited (Delta) for \$1,088,625.00 (\$3.75 per share). The Agreement of Purchase and Sale is subject to the following terms and conditions:

1. That the issued capital stock of Delta at the date of closing is 519,370 and 3,000 shares held under option pursuant to Delta's Employees Incentive Stock Option Plan.
2. That at the time of closing the business of Delta will have been carried on in the ordinary course and that there will not have been any adverse material changes in the affairs of Delta, financially or otherwise.
3. That a Filing Statement of Delta disclosing the information set forth in the attached Filing Statement be accepted for filing by the Toronto Stock Exchange.
4. That a Filing Statement of Delta disclosing the information set forth in the attached Filing Statement be accepted for filing by the Canadian Stock Exchange.
5. That a ruling be obtained from the Ontario Securities Commission under Section 59 of The Securities Act 1966 (Ontario), that the sale of 290,300 common shares of Delta by International Systcoms Limited to Rediffusion Incorporated is not a sale for primary distribution and that registration is not required in respect of such sale.
6. That a ruling be obtained from the Quebec Securities Commission that the sale by International Systcoms Limited to Rediffusion Incorporated of 290,300 common shares of Delta is exempt from registration under Section 50 of The Quebec Securities Act.
7. The Agreement of Purchase and Sale provides that the transaction of purchase and sale will be completed on December 17th, 1969, or at such other time as may be agreed to by the parties.
8. International Systcoms Limited has covenanted and agreed with Rediffusion Incorporated that at or prior to the time of closing, it will cause Delta to assign and transfer to it all monies and payments due or to become due and payable to Delta pursuant to a certain Agreement between Delta and Western Investments Limited (Western) dated November 18th, 1968, in respect to the purchase and sale of all issued and outstanding ordinary shares of the capital stock of K.W. Electronics Limited, together with all security to be held by Delta under the said Agreement, including the Promissory Note therein referred to, the benefit of the proposed Agreement between Delta, Western and Guaranty Trust Company of Canada, the terms of which are set forth in Schedule "B" attached to the said Agreement and the benefit of the Covenant set forth in Schedule "C" attached to the said Agreement. International Systcoms Limited has obligated itself to pay to Delta for the assignment and transfer aforesaid and at the times set forth in the said Agreement, amounts equal to that payable to Delta under the said Agreement, together with interest thereon at the rate specified in the said Agreement all of which amounts shall be payable by International Systcoms Limited to Delta irrespective of whether International Systcoms Limited has or has not received payment from Western. International Systcoms Limited has agreed with Delta to assign, as collateral security, for the performance of its obligations to Delta, the benefit of all of its rights in virtue of the assignment and transfer from Delta to it of the monies, payments and security hereinbefore referred to.
9. International Systcoms Limited has also obligated itself to cause Delta at or prior to the time of closing to assign and transfer to it a certain Trading Agreement between Delta and Western made as of the 1st day of November, 1968, and to assume to the exoneration of Delta all of the liabilities of Delta thereunder and to indemnify and save harmless Delta from any and all liabilities arising thereunder.

APPENDIX II

Rediffusion Incorporated is a Company formed under the laws of the Province of Quebec, having its Head Office at 1010 St. Catherine Street West, Suite 1004, Montreal 110, telephone number (514) 866 3381 and in respect of such Company, the following information is supplied:

1. The Directors of Rediffusion Incorporated are the following:

- (a) Chairman of the Board:
The Honourable F. Philippe Brais, Q.C.
Advocate,
Brais, Campbell, Pepper, Durand and Lafolley,
Advocates,
Montreal, P.Q.
- (b) Vice-Chairman:
A. J. Campbell, Q.C.,
Senior Partner,
Brais, Campbell, Pepper, Durand and Lafolley,
Advocates,
Montreal, P.Q.
- (c) President:
Gilbert A. Allard
- (d) Captain Joseph Jeffrey, O.B.E., Q.C.
Chairman of the Board of London Life Insurance Co.
- (e) Senator Louis Gelin,as,
Partner,
Geoffrion, Robert & Gelin,as.
Members - Montreal Stock Exchange, Canadian
Stock Exchange and Toronto Stock Exchange.
- (f) Albert Deschamps,
Retired Contractor.
- (g) The Right Honourable The Lord Tangle,as,
Director - Rediffusion Limited,
London, England.
- (h) Hugh Dundas,
Deputy Managing Director,
Rediffusion Limited,
London, England.
- (i) Arthur Cross,
Director,
Rediffusion Limited,
London, England.

2. Rediffusion Incorporated proposes that its representatives on the Board of Delta Electronics Limited will be the following:

- (a) Arthur Cross who has been employed in the Rediffusion group of Companies since the commencement of his business career, served as President of Rediffusion Incorporated during the period 1954 until 1962, at which time he returned to London to become Managing Director of Redifon Ltd., Broomhill Road, London, S.W. 18. Redifon Ltd., is a wholly owned subsidiary of Rediffusion Limited of London, England, of which Company Mr. Cross is a Director and a member of the Executive.

- (b) Gilbert A. Allard has been employed by Rediffusion Incorporated for a period in excess of 10 years. He has served as President since 1965. From 1963 until 1965 he served as Executive Vice-President and prior to 1963 he served as Secretary-Treasurer.
- (c) A. J. Campbell, Q.C., has carried on the practice of law in association with The Honourable F. Phillipe Brais, Q.C., since 1932 except for the period 1946 to 1949 when he served as a Judge of the Superior Court of the Province of Quebec.

3. Rediffusion Incorporated is a wholly owned subsidiary of Broadcast Relay Service (Canada) Limited, a Holding Company, which engages in no commercial activity and which Company is wholly owned by Rediffusion Limited, Carlton House, Lower Regent Street, London, S.W.1.

4. Rediffusion Incorporated owns and operates a CATV undertaking in the City of Sherbrooke in the Province of Quebec. Its subsidiary, Transvision (Eastern Townships) Limited, in which the Royal Bank of Canada is a shareholder, owns and operates CATV undertakings in Victoriaville, Arthabasks District, and Cap de madeleine, in the Province of Quebec. Formerly Rediffusion Incorporated owned and operated the Muzak franchise for Quebec and the Maritimes which business it sold in September, 1968, to Standard Sound System Co. Limited. It also formerly owned and operated a CATV undertaking in the City of Montreal which it sold in January, 1966, to National Cablevision Limited in which latter Company the Columbia Broadcasting System has an interest.

The Bankers for Rediffusion Incorporated are the Royal Bank of Canada, Park and Bernard Branch, Montreal.

5. The shares of Rediffusion Limited, the parent Company, are listed for trading on the London Stock Exchange. Approximately 51% of the issued and outstanding shares of Rediffusion Limited are held by British Electric Traction, the shares of which are listed on the London Stock Exchange. British Electric Traction owns and operates Canadian Motor ways Limited in Canada and Rediffusion Limited through its subsidiary Redifon Ltd., owns and operates Redifon(Canada) Ltd.

Rediffusion Limited, directly and through wholly owned or controlled subsidiaries, engages in the broadcast business in the United Kingdom, the British Commonwealth and elsewhere as well as in the manufacture and sale of radio and electronic equipment including flight simulators.

APPENDIX III

By an Agreement in writing dated the 1st day of November, 1968 and made between Delta Electronics Limited (Delta), as Vendor and Western Investments Limited (Western), as Purchaser, Delta agreed to sell and Western agreed to purchase all of the issued and outstanding ordinary shares of K.W. Electronics Limited (the Company) for \$252,467. In addition Delta agreed to assign to Western and Western agreed to purchase from Delta the outstanding indebtedness of the Company to Delta in the amount of \$52,817. Delta and Western have since agreed that the outstanding indebtedness of the Company to Delta is \$64,608. (rather than \$52,817) and to the assignment of the account at the increased amount.

The total aggregate consideration for the purchase and sale of the shares of the Company and for the assignment of the said debt is \$317,075.

The sale by Delta to Western of the shares of the Company represents a sale of the said shares at book value calculated as follows:

Original cost	\$177,357.	
LESS: Write down re excess profits per Note on 1967 Financial Statement -	<u>9,376.</u>	\$167,981.
ADD: Increase in retained earnings of K.W. Electronics Limited -		<u>100,120.</u>
		268,101.
LESS: Write down for devaluation in British currency in year ended April 30th, 1968 -		<u>15,634.</u>
TOTAL BOOK VALUE		<u>252,467.</u>

The said aggregate consideration of \$317,075. is payable as follows:

\$10,000.00 has been paid to F. Vincent Regan, Q.C., Solicitor for Delta as a deposit. A further \$40,000. is payable to Delta on closing. At time of closing Western shall deliver to Delta a Promissory Note for \$267,075. which Note shall bear interest from time to time at a rate equivalent to $\frac{1}{2}$ of 1% above the rate charged by the Bank of Canada to the Chartered Banks in Canada. Interest shall be calculated quarterly. The said Note shall be repayable in twenty-three (23) quarterly payments of \$12,500. commencing on the third month after the date of completion, which payments shall be applied firstly in payment of interest and the balance on account of principal. The balance of the said Note, together with interest thereon, shall become due and payable on the sixth anniversary of the date of completion.

As security for payment of the said Note the shares of the Company shall be transferred and registered in the name of Guaranty Trust Company of Canada, 366 Bay Street, Toronto 1, which Company shall hold the said shares in accordance with the terms and conditions of an Agreement to be executed by Delta, Western and Guaranty Trust Company of Canada, which Agreement

will provide for the sale of the said shares in the event of default. In addition, Western has agreed that both it and the Company will enter into a Covenant which imposes certain restrictions upon the operation of the Company during the period that Western is indebted to Delta.

Delta and Western have also entered into a Trading Agreement dated the 1st day of November, 1968, whereby Delta has agreed to purchase from Western electronic communications equipment manufactured by the Company for sale on an exclusive basis in the United States of America, its possessions and territories and Canada. Delta has agreed with Western to purchase not less than \$50,000. of such equipment in each year for the first six years following the completion of the sale by Delta to Western of the shares of the Company.

Western Investments Limited is a Company incorporated in the British Virgin Islands. Its office is c/o Coopers & Lybrand, Chartered Accountants, P.O. Box 210, the Churchill Building, Freeport, Grand Bahama Island, Bahamas.

Delta has received the necessary approval from the Bank of England in respect of this transaction.

Reference is hereby made to paragraphs 8 and 9 in Appendix I which paragraphs are deemed by this reference to be included in and form part of this Appendix.

Reference is also made to the Filing Statement made by Delta Electronics Limited to this Exchange in July, 1968 and more particularly the reference to the option granted on April 4th, 1968, to R.G. Shears to purchase the issued and outstanding shares in the Company. Such option expired on September 15th, 1968.

REDIFFUSION INCORPORATED

ROOM 1004, DOMINION SQUARE BUILDING
1010 ST. CATHERINE ST. W.
MONTREAL 110, P.Q.

December 16, 1969

Delivered

Toronto Stock Exchange,
234 Bay Street,
Toronto, Ontario.

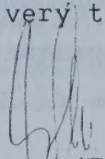
Dear Sirs:

Re: Delta Electronics Limited

The present letter refers to the proposed acquisition by Rediffusion Incorporated from International Systcoms Limited of 290,300 shares of Delta Electronics Limited.

I beg to advise you that it is the intention of this Company to cause Delta Electronics Limited to continue under present management to operate in the field in which it has operated in the past and to expand such activities whenever it would appear that this can be done with profit to the Company.

Yours very truly,


President and Director


Vice-Chairman and Director

FINANCIAL STATEMENTS

DELTA ELECTRONICS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT OCTOBER 31, 1969

	1969	1968
CURRENT ASSETS		
Cash	\$ -	3,117
Accounts receivable		
Trade	356,872	336,942
Affiliated companies	49,092	50,177
Inventories, at lower of cost or net realizable value	404,429	375,962
Prepaid expenses and deposits	4,372	1,770
Income tax instalments	8,411	-
	<u>823,176</u>	<u>767,968</u>
Less		
CURRENT LIABILITIES		
Bank indebtedness	18,368	-
Accounts, payable and accrued	94,071	101,443
Income taxes	-	21,932
	<u>112,439</u>	<u>123,375</u>
WORKING CAPITAL	<u>710,737</u>	<u>644,593</u>
Investment in K.W. Electronics Limited	309,289	305,465
Employee mortgage	12,000	15,000
Fixed assets, less depreciation	167,051	160,076
TOTAL INVESTMENT	<u>1,199,077</u>	<u>1,125,134</u>
Less		
6% mortgage due 1985	15,066	15,908
Deferred income taxes	21,087	21,500
	<u>36,153</u>	<u>37,408</u>
SHAREHOLDERS' EQUITY	<u>\$ 1,162,944</u>	<u>1,087,726</u>
Derived from:		
Capital stock		
Authorized		
880 5% non-cumulative, non-voting		
redeemable (at \$11) preference		
shares with a par value of \$10 each		
1,000,000 common shares of no par value		
Issued		
519,370 common shares (518,370 in 1968)	\$ 520,508	518,508
Excess of appraisal value of fixed assets over cost, less amounts transferred to retained earnings	15,547	19,988
Contributed surplus - research capital grant	4,800	-
Retained earnings in use in the business	622,089	549,230
TOTAL SHAREHOLDERS' EQUITY	<u>\$ 1,162,944</u>	<u>1,087,726</u>

Signed on behalf of the Board: *[Signatures]* Directors

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE SIX MONTHS ENDED OCTOBER 31, 1969

	1969	1968
SALES	\$ 711,428	702,672
COST OF SALES	<u>459,285</u>	<u>459,657</u>
GROSS INCOME	252,143	243,015
OPERATING EXPENSES	<u>160,770</u>	<u>139,317</u>
OPERATING INCOME	<u>91,373</u>	<u>103,698</u>
OTHER EXPENSE		
Directors' fees	-	500
Interest on long-term debt	485	514
Management fee	18,000	-
Other (net)	(806)	3,209
	<u>17,679</u>	<u>4,223</u>
INCOME BEFORE TAXES	73,694	101,714
PROVISION FOR INCOME TAXES	<u>33,158</u>	<u>52,025</u>
NET INCOME	40,536	49,689
RETAINED EARNINGS AT BEGINNING	605,302	533,907
Transfer from appraisal excess	2,220	2,221
Net income of non-consolidated subsidiary	-	2,832
	<u>648,058</u>	<u>588,649</u>
Dividends declared and paid	25,969	25,919
Adjustment of prior years' income taxes of a subsidiary	-	13,500
RETAINED EARNINGS AT END	<u>\$ 622,089</u>	<u>549,230</u>

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE SIX MONTHS ENDED OCTOBER 31, 1969

	1969	1968
Source Of Funds		
From operations		
Net income	\$ 40,536	49,689
Non-cash charges to operations		
Depreciation	13,912	13,787
Deferred income taxes	-	1,723
	54,448	65,199
Employee mortgage repayment	3,000	-
Grant for research and development	4,800	-
	62,248	65,199
Application Of Funds		
Additions to fixed assets - net	21,969	42,700
Decrease in long-term debt	486	616
Dividend on common shares	25,969	25,915
Employee mortgage	-	15,000
	48,424	84,235
Increase (Decrease) In Working Capital	13,824	(19,036)
Working capital at beginning	696,913	663,629
Working capital at end	\$ 710,737	644,593

Signed on behalf of the Board *K.G. Wilson* Director *J.W. Alden* Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED OCTOBER 31, 1969

Principles Of Consolidation

These statements do not include the accounts of K.W. Electronics Limited as an agreement to sell this subsidiary has been signed and is scheduled for closing on December 12, 1969.

The accounts of Kenmore Electronics Inc., the United States subsidiary of the Company, have been included. The comparative figures for 1968 have been amended to exclude the accounts of K.W. Electronics Limited.

There have been no material changes in the items on the consolidated balance sheet of Delta Electronics Limited dated as at October 31, 1969.

Dated this 5th day of December, 1969.

J.W. Alden
Director

K.G. Wilson
Director

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	International Systcoms Limited, 4900 Fisher Street, Montreal 9, Quebec. Upon completion of the sale by International Systcoms Limited to Rediffusion Incorporated of 290,300 common shares of Delta Electronics Limited, Rediffusion Incorporated will have share holdings large enough to control the Company.								
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table> <thead> <tr> <th>Cost</th><th>Market Value*</th></tr> </thead> <tbody> <tr> <td>Kenmore Electronics Inc. \$ 2,156</td><td>No market value</td></tr> <tr> <td>K.W. Electronics Limited (see Appendix III attached)</td><td></td></tr> <tr> <td>*Wholly-owned subsidiary.</td><td></td></tr> </tbody> </table>	Cost	Market Value*	Kenmore Electronics Inc. \$ 2,156	No market value	K.W. Electronics Limited (see Appendix III attached)		*Wholly-owned subsidiary.	
Cost	Market Value*								
Kenmore Electronics Inc. \$ 2,156	No market value								
K.W. Electronics Limited (see Appendix III attached)									
*Wholly-owned subsidiary.									
18. Brief statement of any lawsuits pending or in process against company or its properties.	None								
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	<p>(a) By an agreement in writing dated the 12th day of March, 1968 Delta Electronics Limited and its U.S. subsidiary Kenmore Electronics Inc. agreed with Finney Manufacturing Co. (an Ohio corporation) that Finney could market, on an exclusive basis certain products manufactured by Delta, in the United States of America, its territories and possessions. Such agreement remains in full force and effect until December 31, 1970 and thereafter either party may cancel this agreement on sixty days' written notice provided however the agreement may not be cancelled by Delta so long as Finney has placed aggregate orders for equipment within any six months' period preceding the date otherwise fixed by Delta for termination of the agreement equal to or in excess of \$300,000.00.</p> <p>(b) Delta has agreed with Sydney W. Wellum that it will for a period of two years from October 1, 1968 engage the services of the said Sydney W. Wellum as a consultant at an annual fee of \$5,000.00 payable in monthly instalments together with the exclusive use of an automobile. In addition Delta has agreed to pay the said Sydney W. Wellum for all expenses reasonably and necessarily incurred on Delta's behalf and it has further agreed to pay \$100.00 for each day or any part thereof that Sydney W. Wellum is engaged on Delta's business at its request.</p> <p>(c) Messrs. John H. Baldwin and Frederick J. Looker, the President and Vice-President of Delta, respectively, and who also serve as Directors, and F. Vincent Regan who serves as a Director of Delta, are the nominees of International Systcoms Limited. Delta does not pay any remuneration to the said individuals in respect of their employment as Officers and/or Directors. In lieu thereof Delta pays International Systcoms Limited a monthly fee of \$3,000.00, which payment will terminate upon the completion of the sale by International Systcoms Limited to Rediffusion Incorporated of its holding of shares in Delta Electronics Limited.</p>								
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	See attached Schedule "A" and Appendices I, II and III. There are no shares of the Company in primary distribution.								

CERTIFICATE OF THE COMPANY

DATED December 5th, 1969.

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item I above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"J.H. Baldwin"

"R.E.G. Wilson"

CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item I above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)